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February 5, 2007

RAVALLI COUNTY COMMISSIONERS RAVALLI COUNTY COURTHOUSE 205 BEDFORD HAMILTON, MT 59840 RECEIVED

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Ravalli County Commissioners

RE: Quality WGM Group, Inc. Services

Dear Valued Client: Gren, Alan, Houard

Recently there have been several disturbing news articles in the Missoulian that imply that WGM Group, Inc. was somehow negligent during the construction administration for the Brooks/South/Russell (BSR) project in Missoula. This is very troubling to us, as we value our reputation for quality, professional work. We want to provide our clients with context and reassurance that WGM Group, Inc. operates at the highest level of professionalism and strives to deliver value to our clients.

WGM Group, Inc. was retained by the City of Missoula to administer five, federally-funded, construction projects, which include the BSR intersection project along with the repaving of several other City Streets. The total value of this construction work was approximately \$4,780,000. The construction included 246 individual contract pay items within the five projects. During construction, the Montana Department of Transportation (MDT) conducted a "performance audit." This highly detailed audit reviewed the paperwork and documentation for every pay item for each of the projects.

WGM Group, Inc. and the City worked diligently on resolution of the audit and paper work format issues for over one year. MDT's final assessment found "inadequate documentation" on portions of four pay items. These included the excavation and gravel thickness, 10% of the paint striping, the length of the traffic signposts, and the number of traffic cones on the roadway. We provided 33 pavement cores proving the excavation and gravel thickness were more than adequate and measured each signpost individually. Our yearlong analysis resulted in \$7,800 in adjustments on two of the four pay items. This amounts to 0.16% of the total contract value. The administration and audit costs far exceed this amount. WGM Group, Inc.'s losses alone from this audit and subsequent paperwork documentation exceed \$222,000.

Again, we want to reassure you that WGM Group Inc. provides engineering services to the highest standard of care required by our profession. We are very conscious about spending our clients and the taxpayer's money wisely. The Brooks/South/Russell project for the City of Missoula was no exception. We are proud of our reputation at WGM Group, Inc. and stand behind our work and employees. If you have any further questions, please contact us.

Sincerely,

WGM Group, Inc.

Brent A. Campbell, P.E.

Vice President

Nicholas P. Kaufman Vice President

MKUM